


US pay TV penetration will drop below 50% in 2023

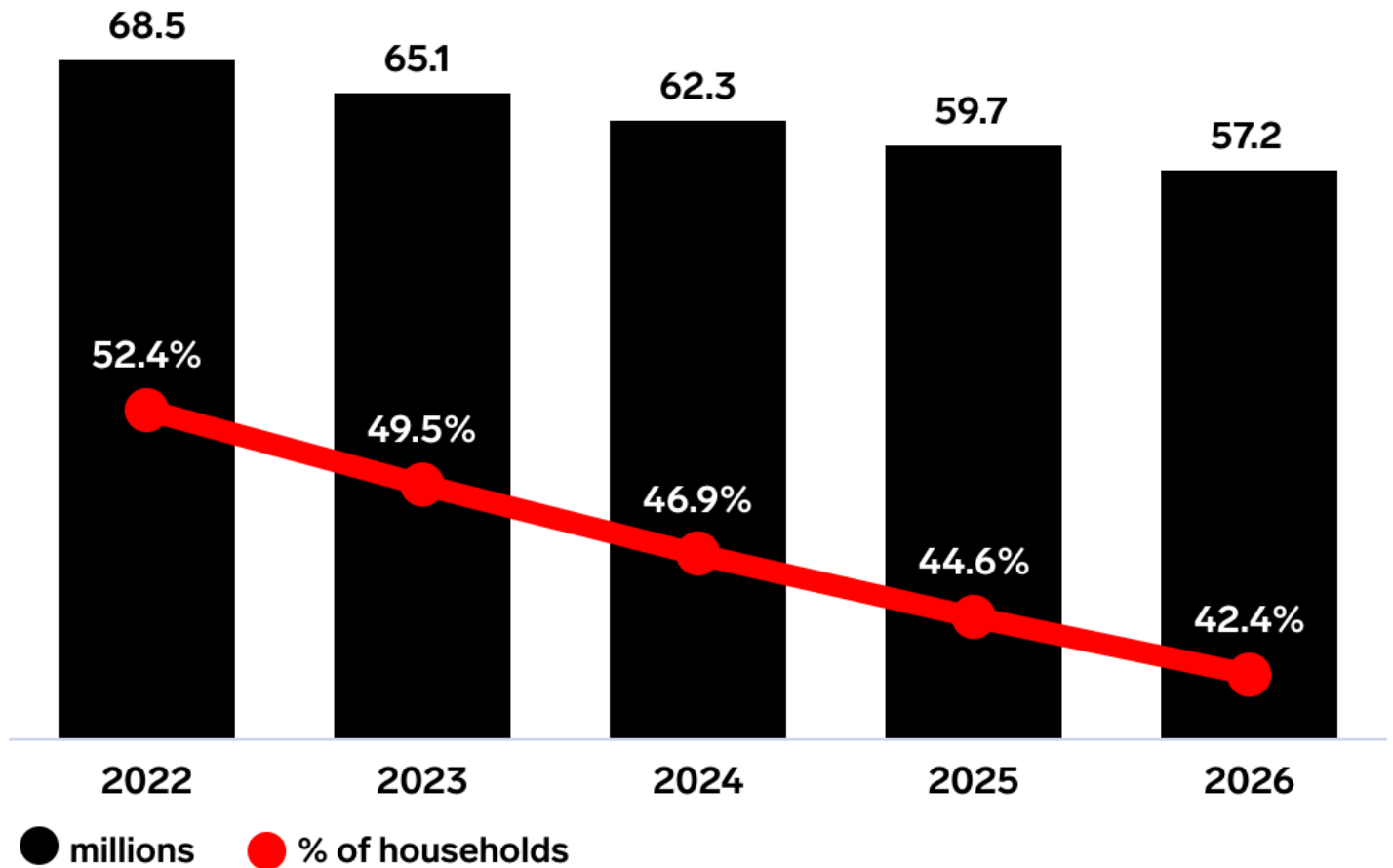
Article



The forecast: Pay TV is in free fall, as more and more families cut the cable cord. By the end of 2023, less than half of US households will have a traditional pay TV subscription. The total number of pay TV households will drop to **65.1 million**, a **4.8% decrease** from 2022.

Pay TV Households

US, 2022-2026



Source: eMarketer, February 2022

eMarketer | InsiderIntelligence.com

Beyond the chart:

- Between 2016 and 2021, pay TV lost more than **50 million** adult viewers (or **25.5 million** households), posting the steepest drop in 2020, at **77%**.
- As pay TV declines, virtual multichannel video programming distributors (vMVPDs) will be on the rise. Many cord-cutting households will turn to such services as **Hulu + Live TV** and **YouTube TV**. By the end of 2022, **15.0 million** households will subscribe to a vMVPD, up **7.6%** from 2021 and representing **11.4%** of all US households.

- The growth of vMVPDs will not be enough to offset the decline of pay TV. In 2022, **63.2%** of all households will have either pay TV or a vMVPD, but this figure will decline to **54.8%** in 2026.

Looking ahead: The streaming landscape is changing, as streamers strike deals for live sports programming and introduce ad-supported tiers of membership. These factors create an increasingly enticing environment for disgruntled pay TV households to finally cut the cord.